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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	: Case No. 18-23538 (RDD)
Debtors. ¹	: (Jointly Administered)
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**NOTICE OF FILING OF FOURTH PLAN SUPPLEMENT IN
CONNECTION WITH MODIFIED SECOND AMENDED JOINT CHAPTER 11
PLAN OF SEARS HOLDINGS CORPORATION AND ITS AFFILIATED DEBTORS**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

PLEASE TAKE NOTICE that on October 15, 2018 and continuing thereafter, Sears Holdings Corporation and its debtor affiliates (collectively, the “**Debtors**”), each commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”).

PLEASE TAKE FURTHER NOTICE that on June 28, 2019, the Debtors filed the *Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and its Affiliated Debtors* (ECF No. 4389) (as modified by the *Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and its Affiliated Debtors* (ECF No. 5293)) (the “**Plan**”)² and related disclosure statement (ECF No. 4390) (as modified by the *Disclosure Statement for the Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and its Affiliated Debtors* (ECF No. 4478)) (the “**Disclosure Statement**”). By order dated June 28, 2019 (ECF No. 4392), the Court approved the adequacy of the information contained in the Disclosure Statement, and the Debtors commenced solicitation of the Plan shortly thereafter.

PLEASE TAKE FURTHER NOTICE that, on July 26, 2019, the Debtors filed the *Plan Supplement in Connection with the Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors* (ECF No. 4632) (the “**First Plan Supplement**”).

PLEASE TAKE FURTHER NOTICE that, on August 2, 2019, the Debtors filed the *Plan Supplement in Connection with the Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors* (ECF No. 4703) (the “**Second Plan Supplement**”).

² Unless otherwise indicated, capitalized terms used but not defined herein have the meanings ascribed to such terms in the Plan.

Please take further notice that, on October 1, 2019, the Debtors filed the *Revised Plan Supplement in Connection with Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors* (ECF No. 5295) (the “**Third Plan Supplement**”).

PLEASE TAKE FURTHER NOTICE that the Third Plan Supplement is hereby amended (the “**Fourth Plan Supplement**” and, together with the First Plan Supplement, the Second Plan Supplement, and the Third Plan Supplement, as may be amended, modified, or supplemented, the “**Plan Supplement**”), with respect to the following exhibit, attached hereto as Exhibit A and as may be modified, amended or supplemented from time to time.

Annex B to Liquidating Trust Agreement	Liquidating Trust Board Member Compensation
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PLEASE TAKE FURTHER NOTICE that the documents, schedules, and other information contained in the Plan Supplement are integral to and part of the Plan.

PLEASE TAKE FURTHER NOTICE that the Debtors, in accordance with the terms of the Plan, reserve the right to amend, modify, or supplement this Plan Supplement through the Effective Date, and any of the schedules, exhibits, and designations contained therein.

PLEASE TAKE FURTHER NOTICE that any responses or objections solely with regard to the Fourth Plan Supplement shall be in writing, shall conform to the Bankruptcy Rules and the Local Bankruptcy Rules for the Southern District of New York, shall be filed with the Bankruptcy Court (a) by attorneys practicing in the Bankruptcy Court, including attorneys admitted *pro hac vice*, electronically in accordance with General Order M-399 (which can be found at www.nysb.uscourts.gov), and (b) by all other parties in interest, on a CD-ROM, in text-searchable portable document format (PDF) (with a hard copy delivered directly to Chambers), in accordance with the customary practices of the Bankruptcy Court and General Order M-399, to the extent applicable, and shall be served in accordance with the *Amended Order Implementing Certain Notice*

and Case Management Procedures, entered on November 1, 2018 (ECF No. 405), so as to be filed and received no later than **October 28, 2019 at 4:00 p.m. (Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that the Plan Supplement can be viewed and obtained (a) by accessing the Court's website at www.nysb.uscourts.gov or (b) from the Debtors' claims and noticing agent, Prime Clerk, LLC ("**Prime Clerk**"). In addition, a copy of the Plan Supplement will be provided on request free of charge by contacting Prime Clerk by calling (844) 384-4460 (domestic toll-free) or (929) 955-2419 (international) or emailing <https://restructuring.primeclerk.com/sears>. Note that a PACER password is needed to access documents on the Court's website.

Dated: October 7, 2019
New York, New York

/s/ Sunny Singh
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EXHIBIT A

ANNEX B
LIQUIDATING TRUST BOARD MEMBER COMPENSATION¹

(a) Base Compensation

The annual base compensation for each Litigation Designee / Liquidating Trust Board Member shall be \$80,000.

(b) Contingent Compensation

Each Litigation Designee / Liquidating Trust Board Member shall receive its *pro rata* share of the below percentage of gross cash proceeds obtained from the settlement, arbitration awards, and/or judgments in connection with the Preserved Causes of Action (collectively, the “**Gross Litigation Proceeds**”), by the Debtors and the Creditors’ Committee prior to the Effective Date, and the Liquidating Trust following the Effective Date.

- i. 0.0% of Gross Litigation Proceeds less than \$150.0 million.
- ii. 1.5% of Gross Litigation Proceeds greater than \$150.0 million up to \$250.0 million.
- iii. 2.0% of Gross Litigation Proceeds greater than \$250.0 million up to \$350.0 million.
- iv. 2.5% of Gross Litigation Proceeds greater than \$350.0 million up to \$450.0 million.
- v. 3.0% of Gross Litigation Proceeds greater than \$450.0 million.

¹ In accordance with the *Order (I) Confirming Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors and (II) Granting Related Relief* (the “**Confirmation Order**”), the investigation, prosecution and/or settlement or other disposal of the Jointly Asserted Causes of Action (as defined in the Confirmation Order) shall be subject to the oversight of designees selected by the Debtors and the Creditors’ Committee (the “**Litigation Designees**”). Specifically, the Litigation Designees shall comprise: (a) Patrick J. Bartels; (b) Eugene I. Davis; and (c) Raphael T. Wallander, as the Creditors’ Committee’s designees, and (x) Alan J. Carr; and (y) William L. Transier, as the Debtors’ designees, which designees shall become the initial members of the Liquidating Trust Board upon the Effective Date pursuant to Section 10.6(a) of the Plan. The Litigation Designees, in their pre-Effective Date roles, shall be entitled to the same compensation, without duplication, as set forth herein in this Annex B with respect to their roles as members of the Liquidating Trust Board.